GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:7537
ANSWERED ON:15.05.2000
MANGALORE POWER PROJECT IN KARNATAKA
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of POWER be pleased to state:

(a) whether the China Light and Power Co. for the MangalorePower Project is being set up for power generation on the west coast of Karnataka;

(b) if so, the details of the collaboration arrangements made therein;

(c) whether fresh approval from the Foreign Investment Promotion Board is required; and

(d) if so, the time by which the work on the project is likely to be started?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRIMATI JAYAWANTI MEHTA)

(a) to (c) : The 1013.2 MW MangalorePower Project is proposed to be developed by Mangalore Power Company(MPC).With the approval of the Foreign Investment Promotion Board (FIPB) and theCabinet Committee on Foreign Investment,foreign collaboration approval was issued by the Government of India, Department of Industrial Policy and Promotion (DoIP&P) on11.5.1993 to M/s Cogentrix Energy Inc., USA in regard to their said power project.M/s Cogentrix Energy Inc., have since transferred their interestsin the MPC and the project to their equity partners,M/s China Light and Power Company, Mauritius Limited on 11.2.2000. Accordingly, approval has been given vide amendment letter dated 5.4.2000 of the DoIP&P, for 100% foreignequity participation amounting to Rs.157,677,800/- in the paid up capital of the company to be subscribed as under:-

i. M/s China Light & Power Company, Mauritius Limited : 1,576,777 shares of Rs.100/- each

ii. Malconna Company Limited : 1 share of Rs.100/- each.

Recently, M/s CLP Power International have proposed to implement the project with M/s Tatas, who have agreed to be one of the partners in the Company along with M/s CLP PowerInternational for implementing the Mangalore Power Project.The Government of Karnataka has yet to convey their approval to the Government of India for the proposal of M/s CLP Power International to implement the Mangalore Power Project with M/s Tatas as their partners.

(d) : Construction work on the project could start only after all the pending inputs/clearances are tied up and financial closure is achieved.